GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3246
ANSWERED ON:11.08.2000
REGIONAL RURAL BANKS
AJAY SINGH CHAUTALA

Will the Minister of FINANCE be pleased to state:

(a) the loans disbursed by Regional Rural Banks in different States to agriculturesector during the last three years, up-to June 30, 2000;

(b) the State-wise number of complaints received by the Government regarding irregularities committed in disbursing loans by these banks during the above period;

(c) the action taken by the Government in regard to these complaints;

(d) the ceiling of the loan being provided by the above banks to the farmers;

(e) whether the Government propose to enhance this ceiling; and

(f) if so, by when and if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR):

(a) The loans disbursed by Regional Rural Banks (RRBs) in different States for agriculturesector for the years 1996-97, 1997-98 and 1998-99 (latest available) is given in enclosed Statement.

(b) No specific complaints have been received by the Government.

(c) Does not arise.

(d) to (f) The scale of finance for crop loan is fixed crop-wise, district-wise by the District Level Technical Committee (DLTC) consisting of officials from State Agricultural Department, Banks, progressive farmers etc. as per the guidelines issued by Reserve Bank of India` National Bank for Agriculture & Rural Development. This is also revisedperiodically. Thus, banks have the freedom to decide the quantum of loan to the borrowers treating the unit cost as guideline and also depending upon the field level conditions. Hence, there is no need for revision of scale of finance at the Government fevel.